



FAS/Seoul Monitoring of Media Reporting on Agricultural Issues

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Food Makers Fight the MSG Fiction

<http://khnews.kheraldm.com/view.php?ud=20180521000500&md=20180524003302> **BL**

Summary: Lists explaining the origins of ingredients can be easily found at restaurants in Korea with notifications, saying “We do not use MSG in our food.” Monosodium glutamate, also known as MSG, is a type of seasoning that has been widely used since the early 20th century. Korea’s Daesang Corp. launched a flavor enhancer, Miwon, in the mid-1950s and its sales skyrocketed and took 50% of the seasoning market share in the 1970s. However, since the 1990’s concerns have been raised that MSG may cause symptoms such as indigestion and headaches. Although studies of international organizations including the American Chemical Society, the Food and Agriculture Organization of the United Nations and the WHO, show the additive is not harmful, and may even be healthy as a salt replacement, many Koreans still associate MSG with salty and unhealthy foods. Korea’s food makers are now trying to promote the additive as a low-sodium option, especially to younger consumers. As a result, domestic sales of Miwon reached 45 billion won (\$42 million) last year. Sempio, a household name for soy sauce, released a liquid-type food additive Yondu in 2012. CJ Cheil Jedang, another leading food manufacturer in Korea, launched a food additive product under the rebranded name ‘God of Cooking’.

An Egg Enough for the Recommended Daily Intake of Vitamin D

http://www.newsis.com/view/?id=NISX20180619_0000339924&cID=10401&pID=10400#

Summary: According to Korea’s Rural Development Administration (RDA) database, an egg a day gives us the recommended daily allowance for vitamin D. Korea’s Ministry of Food and Drug Safety said that the recommended daily intake of vitamin D is 10µg for adults, 15µg for people aged 65 and over, but that nine out of ten people still lack vitamin D. RDA recommended people to have herring (29µg), salmon (20µg), tuna (11µg), or egg (13µg), based on 60 grams, for the recommended daily intake of vitamin D. Vitamin D is an essential nutrient to build and maintain healthy bones, and is absorbed into the body through food and sunlight.

Our Home Launches ‘Under 100’, Sliming Foods

<http://salda.donga.com/3/all/48/1358368/1>

Summary: Our Home, a leading home meal replacement food processor in Korea, launched its ‘Under 100’ brand on June 19. ‘Under 100’ offers a variety of prepared, microwavable meals and desserts that contain 100 calorie or less each. Our Home points out that ‘Under 100’ products will allow consumers to enjoy healthy and delicious foods without concerns about gaining weight. Our Home plans to offer more categories of products under ‘Under 100’ brand, such as sauces and soups.



Whiskey Market Volume Down 50% over the Last 10 Years ... Distillers Focus on Lower Alcohol Products and Young Consumers

<http://news.hankyung.com/article/2018061918941>

Summary: The volume of whiskey sales in Korea amounted to 1.58 million cases in 2017, down almost 50 percent from 2.86 million cases in 2008. In particular, conventional products with 40 percent or higher alcohol content have led the decline of overall whiskey market sales over the years. On the other hand, low-alcohol whiskey products that contain less than 40 percent alcohol has made remarkable sales growth since first market entry by Golden Blue in 2009. Sales volume of low-alcohol whiskey amounted to 0.69 million cases in 2017, up more than three times from 0.19 million cases in 2014.

Mango is a Hot Trend

<http://news.hankyung.com/article/2018061918931>

Summary: Mango is one of key trends in the food market. There are more processed foods and beverages under mango themes offered in the market, ranging from juices, doughnuts, teas, smoothies, and desserts. Imports of fresh mango fruits are also on a solid growth. A total of 758 metric tons of mangoes were imported in the first half this year, up 13 percent from last year.

Robot Cafe / Liquid Type Meal Substitute –Emerging “Food Tech” Industry

<http://hankookilbo.com/v/6db1971cc76046688ac8687cbb97ef72>

Summary: “Food Tech”, which combines information and communication technology (ICT) with food manufacturing, distribution and service industries, is emerging as a new industry all over the world. From smart systems optimizing production process to cooking using AI robots, on-line offline (O2O) food delivery service through smart phone application, production of food materials using 3D printing technology and alternative food made with cutting-edge food manufacturing technology, there are various “Food Tech” applications. Korea’s food tech industry is also getting hot. Recently, new food technology developments such as “AI Barista” and substitute food have been continuing and start-ups for developing alternative foods are increasing. Established in March 2017, the “Plan-Eat” company has introduced egg-less mayonnaise made with soy milk and Korean specialty beans. This mayonnaise was first sold in July 2017 having 32 million K/won of sales for the first six months. Conglomerate food companies are also jumping into the food tech industry. Starting with CJ CheilJedang, Nongshim and other big players are getting more engaged in research and development related to edible insects. Dalkomm Coffee, a specialty cafe brand in Korea, first introduced the robotic cafe named “b:eat” early this year.

Sales of Processed Eggs Such As Smoked Eggs, Soft Boiled Eggs are Increasing

http://biz.khan.co.kr/khan_art_view.html?artid=201806181112001&code=920401

Summary: Processed egg products, such as smoked, soft boiled, and grilled eggs that can be consumed without any preparation, are becoming more popular than fresh eggs. Lotte Mart reported that the sales of processed eggs increased 16.7% during January to May 2018, while the sales of fresh eggs decreased 6.1% during the same period. Experts analyze that this trend is due to the increase in the number of single-person households and people seeking healthier diets. Lotte Mart recently launched a large bulk processed egg product and diversified their processed egg products as well.

Trend in Dietary Supplements Shifts from “Multi-purpose” to “Targeted” Supplements

http://biz.khan.co.kr/khan_art_view.html?artid=201806171206001&code=920401&med_id=khan

Summary: As more ingredients and products are introduced into the market and prices are being stabilized, consumers tend to prefer targeted supplements rather than multivitamins these days. Olive Young’s sales record for dietary supplements show that there were significant increases in sales of Lactobacillus, Omega 3, Milk Thistle, Lutein, and Theanine, which target specific part of the body (stomach, liver, eyes, etc.). Sales of products targeted to enhance liver function increased 443%, recording the highest growth in the dietary supplement sector. According to the Ministry of Food and Drug Safety, the dietary supplement market is as large as USD 3,428 million and recording two-digit growth rate annually.

Convenience Stores Enjoy Strong Sales Growth of Cold Sweets under Hot Summer Weather

<http://news.donga.com/3/all/20180618/90643858/1>

Summary: Convenience stores in Korea are enjoying strong sales growth of cold/frozen confectionery and dessert products as the market enters the summer season. SPC Café Snow, a line of cold dessert products by the leading bakery processor in Korea SPC Samlip, sold in major convenience store chains saw 130 percent sales growth through May compared to the same period last year. Cold beverages, frozen cakes, and ice flakes also reported solid sales growth in convenience stores.

Peacock, PB HMR products by EMART, to Expand Outside EMART

<http://news.hankyung.com/article/2018061872671>

Summary: According to EMART, the leading hypermarket grocery store chain in Korea, Peacock, its private label brand for home meal replacement (HMR) products, is likely to generate 300 billion won of sales this year, up 20 percent from last year. Peacock program started with 200 products and 34 billion won of sales back in 2013. Today, the Peacock program offers over 1,000 products ranging from ready-to-cook meals to prepared snacks to desserts. EMART intends to expand Peacock business by offering it outside EMART venues in Korea and in foreign markets. Under the new growth strategy, EMART is considering opening Peacock-only shops as well as establishing processing facilities in foreign countries.

Iberico Pork from Spain Appeals to Korean Consumers

<https://blog.naver.com/bujada9/221296989212>

Summary: Korea's imports of Spanish Iberico pork meat quadrupled from 18,000 metric tons in 2013 to 72,000 metric tons in 2017 as more Korean consumers are attracted to this unique product for quality and value. Iberico pork is grown with acorn feed for as long as 17 months, which gives a dark color to its meat with a better flavor profile. Although Iberico pork is a premium pork in Spain, its main use in Spain is the back legs only for Jamon making. As a result the rest of the animal is offered at value prices. It is a perfect fit for Korea as the demand for pork meat is highly skewed toward belly and shoulder meat in Korea. Many restaurants in Korea, for both local Korean dishes and foreign dishes, have recently adopted Iberico pork meat. Mr. Youngwoo Seo, owner of a popular pork meat soup restaurant in Seoul commented that his pork soup now offers a deeper flavor thanks to the Iberico pork that he adopted. Marketers point out that introduction of Iberico pork is an important indicator for diversification of pork meat market in Korea.

ROKG to Supply 100,000 MT of Reserve Rice to Stabilize Market Price

<http://news.hankyung.com/article/2018061459981>

Summary: The Korean Ministry of Agriculture (MAFRA) announced on June 14 that it would supply 100,000 metric tons of its rice reserve into the market to curb down price increases. An 80 kg bag of local rice in the wholesale market is selling at 174,096 won currently, up from 171,376 won last month. MAFRA also announced that it would establish a new reserve program for fresh potatoes which experienced significant market price fluctuations earlier this year.

Korean Retailers and Restaurants Launch "World Cup" Promotions Targeting Russian World Cup Games, June 14 – July 16

<http://news.hankyung.com/article/2018061459831>

Summary: Korean retail stores and foodservice businesses have launched various in-store promotions targeting the 2018 World Cup Games that started on June 14 in Russia. In particular, many of the promotions are themed around beer and matching foods. The Korean team is competing in the games and many Korean consumers are likely to watch the games until late in the evening through the final match on July 16.

Convenience Stores Target Late Night World Cup Viewers

http://biz.khan.co.kr/khan_art_view.html?artid=201806141141001&code=920401&med_id=khan

As all the South Korean team's games are scheduled at night time, demand for late night snack and beer is expected to grow. CU is launching a single portion 'garlic bossam' box on June 19. GS25 is also launching pork cutlet, cube steak, and corn cheese products targeting 'convenience store beer lovers.' According to CU, late night food sales during the 2014 Brazil World Cup increased 27.4% compared to the same period the previous year. While the Brazil World Cup games were at 4AM to 7AM, the Russia World Cup games are scheduled at 9PM to 12AM which will lead to a further sales increase of late night snacks.

Many Korean Restaurant Franchises Rush to Pursue IPOs

http://biz.khan.co.kr/khan_art_view.html?artid=201806140600025&code=920100

Many successful Korean restaurant franchises such as 'Ediya', 'Kyochon F&B', and 'Theborn Korea' are planning IPOs by the first half of 2019. However, an industry expert commented that regardless of the successful performances of restaurant franchises, the trends and fads come and go easily which make it harder for the companies to proceed with IPOs. There are other factors that also make things complicated; for example, 'MP Group,' more known as Mister Pizza, is banned from trading due to the owner's personal life.

Established Food Brands and Fashion Industry Collaborate...Themes Vary From Ramen to Alcohol

http://biz.khan.co.kr/khan_art_view.html?artid=201806121750001&code=920401

The food industry and fashion industry are continuing hybrid marketing where they create fun fashion items using the 'story' of established food products. For example, TNGT collaborated with Samyang, Hyundai Department Store with Hite Jinro, SPAO (Eland) with Seoul Milk, and 8 Seconds with Nongshim. A fashion industry expert commented that the industry is always desperate for interesting items as fashion trends come and go really fast. Long-run food products have brand awareness and likeability factors which suit the needs of the industry. A distribution industry expert stated that the food industry is expanding market opportunities through collaboration with fashion and lifestyle products. The collaboration between the two industries is expected to last for a while.



EMART Launches 'Just Fresh', Private Label Program for Premium Fresh Foods

<http://news.donga.com/3/all/20180613/90567628/1>

Summary: EMART, the leading hypermarket grocery store chain in Korea, announced that it launched its 'Just Fresh' private label program for premium fresh foods on June 13. EMART introduced some 80 products under the Just Fresh brand into its stores including fruits, vegetables, livestock meat, fish, and health foods. EMART pointed out that all Just Fresh products are from farms and processors that meet very tight quality standards and monitoring by EMART buyers. The label on Just Fresh products provides very detailed information about the product quality (for example, grower, time of harvest, and sweetness (brix) for fruits). According to EMART, Just Fresh will be a key tool for EMART to differentiate its business from on-line retailers and attract back consumer traffic.

The information in this report was compiled by the [Agricultural Trade Office \(ATO\)](#) at the U.S. Embassy in Seoul, South Korea. The press summaries contained herein do NOT reflect USDA, the U.S. Embassy, or other U.S. government agency official policy or view point. U.S. food exporters can learn more about market opportunities in South Korea by reviewing ATO Seoul's [Exporter Guide](#) and other reports available at www.fas.usda.gov by clicking on "attaché reports."